



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, Ca. 94105

CERTIFIED MAIL P 347 392 536
RETURN RECEIPT REQUESTED

July 15, 1991

George G. Warnock
President
Todilto Exploration and Development Corporation
311 Washington St. S.E.
Albuquerque, New Mexico 87108

Re: General Notice Letter
Bluewater Uranium Mining Sites
Prewitt, New Mexico

Dear Sir:

The United States Environmental Protection Agency (EPA) has documented the release or threatened release of hazardous substances, pollutants or contaminants at the Bluewater Uranium Mining Sites. EPA has spent, and will continue to spend, public funds to investigate and control these releases. EPA is conducting these response actions pursuant to Section 104 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9604, as amended (CERCLA), and Sections 300.410 and 300.415 of the National Contingency Plan (NCP), 40 C.F.R. Part 300. The purpose of this letter is to inform you that EPA has reason to believe that your company may be a potentially responsible party (PRP) with regard to a portion of the Sites, and to notify you of forthcoming removal activities to be conducted at the Sites.

This letter provides formal notification of your company's potential liability pursuant to Section 107(a) of CERCLA, with regard to a portion of the Sites, as described in Enclosure A. It also supplements the oral notification of potential liability which Mr. William J. Weis gave you by phone on July 8, 1991.

Under Sections 106(a) and 107(a) of CERCLA, PRPs may be required to finance or undertake response actions that EPA determines are necessary to protect public health or welfare or the environment. PRPs may also be liable for all costs incurred by the Government in responding to a release or threatened release at a site, and for damages to natural resources resulting from such a release.

Responsible parties under CERCLA include, among other persons, the current and former owners or operators of a site. Based on information obtained through its investigation of the Bluewater Sites, EPA has determined that your company may be potentially responsible as a former operator of a portion of the Sites.

Furthermore, EPA has reason to believe that the release and threatened release of hazardous substances from the uranium mine pit surfaces, mining overburden, and abandoned ore debris and mine tailings at the Bluewater Sites presents an imminent and substantial endangerment to public health, welfare or the environment. Based on investigations performed to date, EPA has concluded that a removal action must be conducted at the Sites to: (1) reduce surface emissions of gamma radiation and (2) restrict public access to the Sites.

Due to the serious potential health hazards associated with the radiation and radionuclide levels found at the Sites, EPA has concluded that the proposed removal action must begin as soon as possible. By this letter, EPA encourages you to voluntarily perform the Site removal activities specified above. If EPA is unable to reach agreement with you regarding the performance of these activities, EPA may conduct the removal action itself pursuant to Section 104 of CERCLA, or issue an order to your company to conduct the removal. A description of the removal activities which EPA is asking you to perform is contained in Enclosure B to this letter.

Please contact EPA within forty eight (48) hours of receipt of this letter if you wish to perform the Site removal activities described in Enclosure B. If EPA does not receive a timely response from you regarding this matter, the Agency will assume that you decline any present involvement in the proposed removal action. Your response should provide EPA with the name, address, and telephone number of the person to whom EPA should direct future correspondence regarding this matter. This correspondence should be submitted to:

William J. Weis III
Emergency Response Section
U.S. Environmental Protection Agency, H-8-3
75 Hawthorne Street
San Francisco, CA 94105
(415) 744-2297

Please direct any legal questions you may have to Linda Wandres of EPA's Office of Regional Counsel, at (415) 744-1359. Questions of a non-legal nature should be directed to Mr. Weis at the above-referenced number.

Thank you for your attention to this matter.

Sincerely,



for Jerry Clifford
Deputy Director for Superfund
Hazardous Waste Management Division

Enclosures

cc: Bill Allen, Regional Environmental Assistant, DOI (w/encl)
Ray Churan, Regional Environmental Officer, DOI
Mary Josie Smith, Chief, Hazardous Waste Materials
Division, DOI
Joanne Manygoats, Navajo Superfund Program
Louise Linkin, Navajo EPA
Capt. Charles O. Dowell, USPHS IHS
Capt. Bruce R. Chelikowsky, USPHS IHS

ENCLOSURE A

The Bluewater Uranium Sites consist of the Brown-Vandever-Nanabah mines and the Navajo-Desiderio mine. The sites are located approximately five miles west of Prewitt, New Mexico. The sites lie within the Ambrosia Lake subdistrict of the Grants Uranium Mining District.

The Brown-Vandever-Nanabah site encompasses two Indian Allotment parcels (Section 18 Township 13N, Range 10W, and Section 24, Township 13N, Range 11W), one Federal parcel administered by the Department of Energy (Section 13, Township 13N Range 11W) and one privately owned parcel (Section 19, Township 13N, Range 10W) within the Bluewater Quadrangle.

Based on information obtained to date, EPA has determined that Todilto Exploration and Development Corporation and the Santa Fe Pacific Railroad Company were associated with the mining operations effecting Section 19, Township 13N, Range 10W of the Bluewater Quadrangle. This section consists of several large piles of mine overburden, protore, mine tailings and exposed Todilto limestone containing uranium ore.

ENCLOSURE B
TASKS TO BE COMPLETED ON SECTION 19, TOWNSHIP 13N, RANGE 10W
BLUEWATER QUADRANGLE
EMERGENCY RESPONSE ACTION

- o Conduct extensive ground gamma survey to define and delineate gamma radiation readings within mined areas;
- o Areas defined to equal or exceed 180 uR/hr (165 uR/hr above background) should be covered with fill to reduce gamma and radon gas emissions. Emissions should be reduce to levels protective of human health and the environment;
- o Covered areas should resist weathering and erosion;
- o Post signs in English, Spanish and Navajo warning local residents of potential radiological hazards.